

Property Tax Scenarios During a Re-Appraisal Year

Tennessee State law mandates that no county or municipal government can benefit from a “windfall” during a re-appraisal year, if the overall value of the tax base increases. If the overall tax base value increases with re-appraisal, then the County government and each municipality must adjust their existing tax rates so that the total revenue collected does not exceed the total revenue collected in the year prior to the re-appraisal. However, once the governing body adjusts the tax rate based on the new values, it may then set a new tax rate as it deems appropriate.

County Administration has recommended maintaining a rate of \$4.04 in order to provide sufficient funding for schools and debt management. The following example compares the impact on individual residential property owners if the rate is maintained at \$4.04

If Home Value Rises...



Single Family Home
2004 Value: \$200,000
2004 County Property Tax: \$2,020

If Home Value Falls...



Single Family Home
2004 Value: \$200,000
2004 County Property Tax: \$2,020

If Home Value Remains the Same



Single Family Home
2004 Value: \$200,000
2004 County Property Tax: \$2,020

Total Property Value: \$600,000
Total Tax Collection (2004) at \$4.04: \$6,060

CURRENT



Single Family Home
2005 Value: \$271,550
2005 County Property Tax: \$2,648



Single Family Home
2005 Value: \$150,000
2005 County Property Tax: \$1,462



Single Family Home
2005 Value: \$200,000
2005 County Property Tax: \$1,950

Total Property Value: \$621,550
Total Tax Collection at the Re-certified Rate of \$3.90: \$6,060

RE-CERTIFIED



Single Family Home
2005 Value: \$271,550
2005 County Property Tax: \$2,743



Single Family Home
2005 Value: \$150,000
2005 County Property Tax: \$1,515



Single Family Home
2005 Value: \$200,000
2005 County Property Tax: \$2,020

Total Property Value: \$621,550
Total Tax Collection at the 2004 Rate of \$4.04: \$6,278

RESET TO CURRENT